

Evaluation, Measurement and Verification of AB 118 Projects and Program

Questions and Answers

January 25, 2012

- 1. If an entity is receiving funding from another Alternative and Renewable Fuel and Vehicle Technology (ARFVT) Program solicitation, either as an awardee, a prime contractor, or a subcontractor, can it apply for participation, either as a prime contractor or a subcontractor, in this Evaluation, Measurement and Verification (EM&V) program?***

Because the principle objective of this solicitation is to assist the Energy Commission with the evaluation, monitoring, and verification of THE ARFVT PROGRAM awardees' projects and outcomes, the Energy Commission must establish and maintain a clear separation of duties between the work performed under this EM&V RFP and other AB 118-funded solicitations. Individuals who are involved in an the ARFVT program-funded project may not also be involved in measuring the effectiveness, fiscal accountability or other aspects of the project.

Depending on the services or activities performed, there may be insufficient separation of duties in the following scenarios:

- If the Prime Contractor under this RFP serves as a principal, subcontractor, consultant or agent for any of the projects funded by the Energy Commission through the ARFVT program.
- If a Prime Contractor under this RFP is considering including a subcontractor that has served or will serve as a principal, subcontractor, consultant or agent for any of the projects funded by the Energy Commission through the ARFVT program.

Bidders under this RFP have a duty to disclose the facts and circumstances of any scenario described above and must demonstrate in its proposal how any actual or potential financial conflict of interest is avoided and how the Bidder will ensure that there is adequate separation of duties between the oversight responsibilities of the EM&V contract and the programs and projects it monitors. Failure to establish such separation of duties will result in the bidder's application being ineligible. In addition, bidders who have a financial or management interest in the project being evaluated will receive lower scores under the scoring criteria on page 38 of the RFP.

Because the ARFVT program technical support contracts are not being evaluated, measured, or verified through this EM&V program, consultants under technical support agreements with the Energy Commission for the ARFVT program do not have a separation of duties problem. However, such consultants must still analyze for any potential or actual financial conflicts of interest with an ARFVT program awardee, pursuant to the terms and conditions of the contract.

- 2. *If a firm is doing work unrelated to the ARFVT program, is there any reason why that firm can't participate in the ARFVT program EM&V?***

See the answer to #1 above.

- 3. *If a contractor helped plan the ARFVT program or provided technical input on the ARFVT program, would they be precluded from applying as an EM&V contract?***

Contractors who have helped plan the ARFVT program or provide technical support on the ARFVT program, even if they did not receive ARFVT funds, may have an actual or potential financial conflict of interest and insufficient separation of duties as required for this RFP. See answer to #1 above for more information.

- 4. *If a firm has received California Air Resources Board (CARB) funds, would there be a conflict with submitting a proposal for the ARFVT program EM&V?***

Generally, there is no conflict where a bidder is receiving funds from CARB but not from the Energy Commission under the ARFVT program, as these are separate state agencies with separately funded projects. However, CARB and the ARFVT program have jointly funded two programs in Fiscal Year 2010-2011: the Clean Vehicle Rebate Program (CVRP) and the Hybrid Truck and Bus Voucher Incentive Project (HVIP). Bidders who have received a grant to implement the CVRP or HVIP in FY 2010-2011, either as a prime or subgrantee, may not have a sufficient separation of duties and should refer to the response in #1 above.

- 5. *If an entity receives ARFVT program funding from the Energy Commission, and/or CARB, would it still be eligible to take part in the EM&V contract as either a prime or a sub-contractor?***

See the answer to #1 above.

- 6. *Can organizations that have worked on the programs and/or projects that will be evaluated bid as a prime or as a sub-contractor for this RFP? If so will there be any limitations on conditions attached to those bidders?***

See answer to #1 above.

- 7. *We build networks of electric chargers across state. If we use the network to report and provide details about users, does that fall under rubric of the ARFVT program funding? What about network of electric chargers for e-vehicles? Does using this network to collect data and case studies regarding users of chargers fall under this funding?***

If your entity has received or is currently receiving funding through an the ARFVT program solicitation or from an ARFVT program awardee, other than under a technical support agreement, then you may not be eligible to apply for this solicitation. See the response to #1 above for more information.

If your entity is not receiving and has not received ARFVT program funding and you think that your services can be: 1) useful as a team member or 2) expanded to provide data on the impacts of all the ARFVT programs as a prime contractor, then you would eligible to apply. However, because the ARFVT program funds a diverse portfolio of advanced transportation technologies beyond just electric vehicles, then, based on your description, your services may be too narrow to qualify you as an EM&V contractor.

- 8. *The Energy Commission has indicated that it will make award announcements for some previous solicitations during the month of January, 2012. Those announcements could impact whether an entity is eligible to apply for RFP # 600-10-612. Does the Energy Commission plan to delay any of the January 2012 award announcements or are they all proceeding according to schedule? If not, which ones are likely to slip?***

The NOPA for the Medium/Heavy Duty Solicitation is scheduled for late January. Right now this is on schedule but if the schedule does slip, only one or two weeks would be added. If you applied for funding under this solicitation and are interested in submitting a proposal for EM&V of AB118, you can still submit one but should indicate which award you will choose in the case where you are offered both.

Conversely, you may experience overlap with upcoming solicitations so you would need to decide on how you will allocate your effort between implementation and EM&V. A program opportunity notice for biofuels production facilities has been released and the deadline to submit proposals is February 21, 2012. For more information go to:

<http://www.energy.ca.gov/contracts/PON-11-601>

Solicitations for alternative vehicle manufacturing, fueling infrastructure and biofuels have not been released yet but are in the pipeline.

For entities that receive awards or plan to apply for funding under future ARFVT program solicitations, see #1 above on whether you are eligible based on financial conflicts of interest and a separation of duties.

- 9. *Regarding the Evaluation Advisory Committee, in submitting a proposal, do we need to identify the two participants who will perform the work, or is it alright to identify a candidate position and billing rate without a specific individual?***

It is preferred to have the specific individual identified, their background experience and rate. We are asking for a minimum of two individuals. You will be scored on the quality of the evaluation advisory committee in providing independent technical expertise in evaluating, measuring and verifying activities of the ARFVT program. If you don't list individuals, it will be difficult for the scoring team to assess their quality and may result in a lower score. At a minimum, we need to see rates and positions as part of the cost proposal.

- 10. *Regarding the Evaluation Advisory Committee, do you want proposal of actual individuals and designation will be made by Commission staff as part of team selection?***

The Evaluation Advisory Committee is part of a bidder's total proposal and most likely will be subcontractors to the prime contractor. We want to see specification of people and experience in work of a similar nature in evaluating, measuring and verifying program impacts. They should be people who are top level technical advisors to provide oversight and direction for complex technical analytical assessments.

- 11. *Does the Evaluation Advisory Committee come with the team? Can a person be part of the project but not the proposed evaluation advisory committee, or is the evaluation advisory committee part of the submission and therefore part of the team?***

The proposal should include all team members and their costs. The Evaluation Advisory Committee must be part of the proposal, so individuals should be designated.

- 13. On case studies: For costing, do we assume the project completion in September 2015, three years with 12 quarters, forecasting five case studies submitted per quarter?**

Yes.

- 14. Regarding the 20% and 80% work authorization for Task 6. The RFP's Task 6 is open-ended. Could this money be diverted or taken away from the project?**

Task 6 is intentionally open-ended. The details of Task 6 are to be developed in Task 3 and would be implemented through Work Authorizations. On page 2 of the RFP we explain that \$2,978,000 is immediately available but the remaining balance is contingent on securing the funding in the Budget Act and through an allocation in the Program Investment Plan. There is always a risk with future unsecured funding, but Work Authorizations for Task 6 wouldn't be approved until we are certain of funds.

- 15. Is there an incumbent contractor who is currently engaged or has previously completed evaluation services for the activities that are the subject of, or are similar to, the programs covered by this RFP? If so who are they, and are their documents available?**

An evaluation of the ARFVT program has not been performed by an incumbent contractor, and there is no incumbent for this effort. There are EM&V contracts for other programs at the Energy Commission, but these are not related to the ARFVT program and may not be useful for understanding the work required under this RFP. Documents that may be useful as references for the EM&V effort are included in the response to question #25 below.

- 16. Are there specific EM&V protocols or other measurement protocols that the Energy Commission requires or recommends for this contract? If not will the Energy Commission expect the contractor to recommend or develop protocols?**

The Energy Commission expects the contractor to recommend or develop protocols. Bidders should supply sufficient information about proposed protocols and guidelines to allow the scoring team to assess their relevance and applicability to the ARFVT program EM&V effort.

- 17. Other state agencies that have energy efficiency programs, like the CPUC, do EM&V of those programs. The RFP references EM&V experience specific to alternative fuels/alternative fuel vehicles. Would EM&V expertise on process and impacts in all kinds of programs, or EM&V experience in energy efficiency, bring value to the proposal?**

To the extent that it shows familiarity with the ARFVT program technologies and conducting EM&V evaluations, expertise in EM&V for process and global impacts as well as EM&V experience in energy efficiency should be beneficial.

- 18. Does the Energy Commission have any position on the U.S. Environmental Protection Agency's (EPA) roadmap for measurement of air emission reductions relating to energy efficiency and renewable energy programs? The EPA's roadmap lays out guidelines on how to do this type of work nationally, with significant input from California, and provides an example from a program in California. Is the EPA guidance/roadmap something for subject or reference or approval when applied to EM&V methodologies?**

If it is relevant and applies to the ARFVT program, the EPA's roadmap would be appropriate. Bidders should supply sufficient information about proposed methodologies and guidelines to allow the scoring team to assess their relevance and applicability to the ARFVT program EM&V effort. We do not expect bidders to develop new methodologies or approaches to estimating air emission reductions from changes in electricity consumption but would expect bidders to apply estimates consistent with those used by California State Agencies when estimating impacts from programs located in California.

19. Did the Energy Commission have any input/role into the EPA process?

The Energy Commission's PIER program develops information that is used by other agencies, including US EPA, but we aren't aware of anyone at the Energy Commission having a formal role in the development of the EPA roadmap. The Energy Commission generally provides input into the California Environmental Protection Agency's annual report card. See:

http://www.climatechange.ca.gov/climate_action_team/reports/2012_CalEPA_Report_Card.pdf.

We realize that the whole arena of greenhouse gas (GHG) emission protocols/life cycle analysis can get complicated. Familiarity with GHG offsets, protocols and fuels life cycle analysis would be beneficial in application.

20. Do we assume that for some aspects of the ARFVT program that there is not existing data needed to conduct quality EM&V analysis (such as no quality fuel consumption data), and that the contractor will need to figure out some kind of work around to estimate when data is not available? Is the Contractor expected to figure out how to estimate data?

Yes. Data for current projects will give final consumption values one to two years into the agreement so fuel consumption data should be available for most projects. However, not all required data will be available. Staff has access to data from CARB to help fill in data gaps. Contractor will be required to assess quality of data, assumptions, and big picture view across all technologies and contracts. Contractor will most likely have to develop data where little existing data is available.

21. The RFP identifies basically five alternative fuels. What kind of preference/guidelines for allocation of efforts and costs does the Energy Commission want to see? Would Electric Vehicles get 50% of effort or is this totally up in the air?

The Evaluation Planning Task (Task 3) in the RFP requires back and forth and input with the Energy Commission. Deliverables for Task 3 include providing memos which propose how to categorize technologies and allocate efforts. Energy Commission staff will review and discuss these memos with the Contractor, so there will be a collaborative process with Energy Commission staff to work out the final allocation of effort among fuel types and project types.

22. The slide showing Alternative Fuels shows three biomass categories. Are there any further explanations of alternative fuels? Is there any Energy Commission preference or requirements for models used in EM&V?

The Energy Commission wants assumptions to be consistent with adopted assumptions in the Energy Commission's biennial Integrated Energy Policy Report (IEPR). Otherwise, there are no adopted or preferred models or protocols. You can find more details on all ARFVT awards and projects in the ARFVT Benefits Staff Report and the Investment Plans for the

ARFVT Program. These show that the Energy Commission has funded a wide variety of fuels, technologies and fuel production categories and offer additional breakdowns of alternative fuel types and project activities.

23. Will the decision from a California Federal Judge blocking the enforcement of CARB's Low Carbon Fuel Standard impact this RFP?

On page 8 of the RFP we state that one objective of the evaluation is to support quantification of how the ARFVT program helps progress towards meeting policy goals and targets, such as CARB's Low Carbon Fuel Standard. Bidders may assume that the final evaluation reports should provide enough information to assess progress towards a similar standard. The ruling itself does not impact the implementation or EM&V of the ARFVT program.

24. What other EM&V work has been prepared at the Energy Commission that interested bidders might want to be aware of?

The Energy Commission's in-house ARFVT Benefits Staff Report prepared for the 2011 IEPR would be a good document for interested bidders to review. This can be found at: <http://www.energy.ca.gov/2011publications/CEC-600-2011-008/CEC-600-2011-008-SD.pdf>

25. Can you give examples or point us to where guidelines are published or references for the Energy Commission's EM&V work?

The Energy Commission has not established EM&V guidelines or conducted prior EM&V of the ARFVT program. We expect bidders to provide EM&V guidance in their proposals as part of their demonstration of professionalism. Bidders should supply sufficient information about proposed guidelines to allow the scoring team to assess their relevance and applicability to the ARFVT program EM&V effort.

Following is a list of some resources bidders may find helpful in developing their proposals:

- Seto, Betty, Eric Swan, Fred Coito. (KEMA, Inc.). 2010. *Review of Energy Efficiency Program Savings Estimations in Annual Reports and Measurement and Evaluation Studies*. California Energy Commission. Publication number: CEC-200-2010-008. This can be found at: <http://www.energy.ca.gov/2010publications/CEC-200-2010-008/CEC-200-2010-008.PDF>.
- An important reference for California energy efficiency protocols can be found at: http://www.calmac.org/events/EvaluatorsProtocols_Final_AdoptedviaRuling_06-19-2006.pdf
- The Energy Commission is using Department of Energy Guidelines to direct EM&V of American Reinvestment and Recovery Act Programs.
- ARB may have guidelines and protocols for EM&V conducted under similar programs.
- Information from the IEPR will be important for certain assumptions and can be found at: http://www.energy.ca.gov/2011_energypolicy/documents/index.html#12192011. The proceedings included a workshop on November 14, 2011, on the role of alternative fuels in California's transportation future. Workshop documents can be found at: http://www.energy.ca.gov/2011_energypolicy/documents/index.html#11142011.

Publicly available guidance on GHG accounting, life cycle analysis, and LCFS is considerably broad. Bidders should be familiar with EM&V issues outside of the traditional energy efficiency arena. Following is a list of some resources bidders may find helpful:

- **Resources to Account for Clean Energy Impacts and GHG Emissions**
There are numerous resources publicly available that provide guidance on the assessment of benefits and costs of clean energy projects and programs. While the bulk of guidance on evaluation, measurement, and verification of project impacts has been in the area of energy efficiency (e.g., buildings and appliances), a variety of resources exist to guide these assessments in the transportation sector.
- **General Resources to Assess the Impacts of Clean Energy:**
<http://epa.gov/statelocalclimate/state/activities/measuring-savings.html>
<http://epa.gov/statelocalclimate/resources/bioenergy-primer.html>
http://www.nrel.gov/analysis/models_tools.html
<http://www1.eere.energy.gov/seeaction/evaluation.html>
- **Resources to Assess GHG Emission Impacts of Clean Energy:**
<http://www.irca.org/inform/issue15/ISO14064.html>
<http://www.climateactionreserve.org/how/protocols/>
<http://epa.gov/climatechange/emissions/index.html#method>
- **Resources to Life Cycle Impacts of Low Carbon Fuels and Technologies:**
<http://www.epa.gov/nrmrl/lcaccess/resources.html>
<http://www.arb.ca.gov/fuels/guidancedocs.htm>

26. Since a respondent is developing a proposed approach to the EM&V in Tasks 2-5, what level of detail is the Energy Commission expecting in narrative related to Task 6? Is it necessary to name specific individuals, or to identify proposed rates, or can this work be bid out by the prime contractor following completion of Tasks 1-5?

Specific job classifications and proposed rates must be identified in the proposal for Task 6 to allow evaluation of the cost proposal. Bidders are not required to identify individuals in the proposal, but this may result in a lower score as it will make it more difficult for the scoring committee to evaluate the project team. The Contractor will be permitted to place individuals into the classifications subject to the procedures in section 7 of Exhibit B of the Terms and Conditions.

Task 6 will be implemented via work authorizations which will include: deliverables, due dates, and a detailed budget using the Energy Commission's budget template. Attachment 6, Standard Agreement Example, details the components of a work authorization. Bidders should provide sufficient detail to respond to the scoring criteria for Task 6.

27. Does Task 6 include any funding for administrative and management tasks past the first year or is all of the administrative and management funding included in the initial Task 1-5 available funding?

Administrative and management funding is included in Task 1. Bidders should prepare their budget based on the \$4,478,000.00 available for the contract, not the smaller amount that is immediately available.

28. The RFP states you want as much on-site data collection as possible. Are there any number of trips or direct expenses that should be included in Attachment B-5 to reflect on site data collection?

Site visits and direct expenses (such as equipment and materials) necessary for on-site data collection will be part of the Task 6 budget and implemented via Work Authorization. The Contractor must specify the types of direct expenses that might be incurred to implement Task 6, but does not need to provide more detail of these expenses, as these will be authorized through Work Authorizations.

29. Do we need to reflect anything in Attachment B-5 (direct operating expenses) for travel expectations?

Travel in B-5 is "pre-approved travel". Pre-Approved Travel is travel that can be detailed. For a complete definition refer to Attachment 7, Exhibit B, Instructions, page 4 of 4. Travel that is not identified in the Pre-Approved Travel list must be included in Attachment 7, Exhibit B, Attachment B-2 Category Summary as detailed in the Budget Instructions. All travel for Tasks 1-5, whether Pre-Approved or not Pre-Approved, shall be included in the budget submitted. All travel under Task 6 will be defined in the work authorizations and does not to be further specified in the proposal.

30. On page 31 of the RFP, you state that bidders may propose a lesser amount in their cost proposal. Does this apply to both Task 5 and Task 6 or to only one of these Tasks?

Bidders may propose a lesser amount in their cost proposal only for Task 5. The Task 6 budget must remain unchanged.

31. Will billing rates submitted in proposals be publicly disclosed?

Yes, proposals become public information after an award is announced.

32. Under relevant qualifications, Bidders are required to submit 3 examples of similar work. Is this work with the Energy Commission or work of a similar nature?

This refers to work of a similar nature.

33. The RFP states that subcontractors must submit one example of work. Is that a maximum? Will there be a disqualification for providing too much information if we provide more than one example?

Yes, it is intended to be a maximum. There will be no disqualification for providing more examples; however the evaluation committee will only review one of the submitted examples.

34. Is the 10% retention of the contract held for the 3-year term of the contract or until the work is completed?

10% retention is withheld from each invoice that is paid. The retained amount shall be held and released only upon approval that work has been satisfactorily completed and the Final Summary Report has been received and approved.

35. Regarding the 10% retention of the contract, is that an Energy Commission internal requirement or statutory requirement of the ARFVT program?

A 10% retention is required under California Public Contract Code section 10346 for contracts utilizing progress payments.

36. *Regarding paying subcontractors, is the Prime Contractor required to pay the subcontractor upon receipt of the subcontractor's invoice?*

No. The Prime Contractor may pay the subcontractors after the Prime has been reimbursed by the Energy Commission for the allowable costs incurred by the subcontractor. The Prime will need to submit the appropriate documentation as outlined in the terms and conditions in order to be reimbursed for costs incurred.

37. *Please clarify how a non-small business may not take away an award from a certified small business as referenced in the RFP under the Non-Small Business section on page 34.*

The purpose of the small business preference is to give preference to a small business. The purpose of non-small business preference is to give preference to a non-small business bidder that commits to 25% or more small business contracting. If a small business bidder receives the highest score, then preference points will not be applied. The non-small business preference points cannot be used to take an award away from a small business if the non-small business preference points are the only reason for the higher ranking.

38. *Does the State of California have any guidelines for caps on hourly rates?*

No, the State of California doesn't have any guidelines for caps on hourly rates for non-IT consultant services contracts.